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**FISCAL IMPACT STATEMENT**

**LS 7252**

**BILL NUMBER:** HB 1340

**NOTE PREPARED:** Jan 11, 2013

**BILL AMENDED:**

**SUBJECT:** High School Graduation Waivers.

**FIRST AUTHOR:** Rep. Behning

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:** X **GENERAL**  
**DEDICATED**  
**FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** *Transfer to Nonaccredited School* - This bill requires the principal of a public school to inform a student and a parent of a student transferring to a nonaccredited nonpublic school of the legal responsibilities of transferring to a nonaccredited nonpublic school. It also provides that the principal and the parent must sign a form to acknowledge that the parent understands the legal requirements of transferring to a nonaccredited nonpublic school. The bill provides that if the parent refuses to sign the form, the student is considered a dropout and shall be:

1. Reported to the Bureau of Motor Vehicles to revoke the student's driver's license or learner's permit; and
2. Considered a dropout for purposes of calculating the high school's graduation rate.

*Graduation Plan* - The bill provides that if a student is not progressing toward fulfillment of the student's graduation plan due to not achieving a passing score on the graduation examination, the school counselor shall meet with the:

1. Student;
2. Student's parent; and
3. Student's teacher in the subject matter in which the student has not received a passing score on the graduation examination;

to discuss available remediation and plan to meet the requirements necessary for a graduation waiver.

*Strategic and Continuous School Improvement and Achievement Plan*- The bill requires a secondary school's Strategic and Continuous School Improvement and Achievement Plan to include a provision to reduce the number of graduation exam waivers.

*Graduation Waivers* - The bill provides that a teacher's recommendation for a graduation waiver must be aligned with the school corporation's policy.

The bill also provides as part of the graduation requirements for a student who fails the graduation exam that:

1. The student must complete the course and credit requirements for a general diploma, a workforce readiness assessment, and at least one industry certification or workforce credential recommended by the student's school; or
2. If the student receives a recommendation from the student's teacher, the recommendation must be supported by classroom work and acceptance at an approved postsecondary educational institution whose students are eligible to receive a higher education award or a freedom of choice grant which will result in an approved postsecondary degree or credential.

The bill repeals a provision relating to graduation standards prior to July 1, 2010. It makes a technical correction.

**Effective Date:** July 1, 2013.

**Explanation of State Expenditures:** *Transfer to Nonaccredited School* - The Department of Education could have some increased cost associated the development of the informational form the parent and principal have to sign before a student transfers to a nonaccredited nonpublic school. The additional cost should be minor.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** *Transfer to Nonaccredited School* - Requiring the principal and the parent of the student transferring to a nonaccredited nonpublic school to sign a form developed by the Department of Education should have no fiscal impact.

Requiring the principal to report the student to the Bureau of Motor Vehicles for possible action on the student's driving licence should have minor fiscal impact. ( The bill is similar to a reporting provision required when a student drops out of school.)

*Graduation Plan* - Requiring the alignment of a teacher's recommendation for a graduation waiver to the school corporation's relevant policy should have no fiscal impact.

The provision requiring a meeting with the school counselor, student, student's parent, and student's teacher if the student does not pass the graduation test to discuss available remediation and develop a plan for the student to meet the requirements for a graduation waiver should have minor fiscal impact.

*Strategic and Continuous School Improvement and Achievement Plan*- The inclusion of a provision to reduce the number of graduation exam waivers in a secondary school's Strategic and Continuous School Improvement and Achievement Plan should have no fiscal impact. The action needed to reduce graduation waivers would be done within the school's current revenue stream.

*Graduation Waivers* - Requiring that a teacher's recommendation for a graduation waiver must be aligned with the school corporation's relevant policy should have no fiscal impact.

The bill would eliminate the option of taking a career exploration internship or cooperative education and

replace it with an industry certification option as part of the requirement to obtain a graduation waiver. The provision could have minor fiscal impact. Also requiring the student to be accepted at an approved postsecondary educational institution should have no fiscal impact.

**Explanation of Local Revenues:**

**State Agencies Affected:** Department of Education.

**Local Agencies Affected:** Local Schools.

**Information Sources:**

**Fiscal Analyst:** Chuck Mayfield, 317-232-4825.